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Reagan Praises Casey During CIA Ground-Breaking Ceremony

By David Hoffman Washington Post Staff Writer

President Reagan used a groundbreaking ceremony at CIA headquarters yesterday to praise William J. Casey the day after Democrats on a congressional subcommittee identified the CIA director as the recipient of briefing papers prepared for President Carter during the 1980 campaign.

In an outdoor speech to about 2,000 employes at the agency's head-quarters near Langley, Reagan said, "Your work, the work of your director [and] the other top officials have been an inspiration to your fellow Americans and to people everywhere."

Casey has been involved in two controversies in recent weeks: the one over the debate papers and another over his alleged failure to tell the full truth to congressional oversight committees about CIA-backed mining of Nicaragua's harbors.

The mining was carried out as part of the CIA's assistance to the "contras" who are battling Nicaragua's Sandinista regime—support that Congress has threatened to shut off.

Reagan's trip yesterday was "certainly an endorsement" of CIA activities generally "and the role its director is playing there," White House spokesman Larry Speakes said. "The president has not changed his position on Director Casey" following the critical congressional report, and Casey still enjoys Reagan's "full confidence," Speakes added.

The House Post Office and Civil Service subcommittee on human resources said it has "difficulty accepting" Casey's sworn statement that he does not recall receiving the Carter briefing papers or giving them to James A. Baker III, now the White House chief of staff. The panel said the "better evidence" supports Baker's claim that he got the papers from Casey.

Reagan did not mention the briefing papers controversy in his remarks yesterday, nor has he yet read

the 2,413-page subcommittee report, Speakes said.

White House counsel Fred F. Fielding may brief the president about the document later, he added. As a result, Speakes said, Reagan cannot "pass judgment" on the document and "the matter still rests with the Justice Department."

The Justice Department is appealing a federal judge's order that it appoint a special prosecutor to investigate the case. The subcommittee's chairman, Rep. Donald J. Albosta (D-Mich.), has called for the appointment of a special prosecutor, known officially as an independent counsel.

On Capitol Hill yesterday, Senate Minority Leader Robert C. Byrd (D-

W.Va.) said "it is about time" that Reagan personally call Baker and Casey and ask them, "What is the truth here? What do you know?"

Speakes said the president had long planned to take part in the ground-breaking ceremonies for a \$190 million, seven-story addition to CIA headquarters. When Reagan arrived, Casey strolled at the president's side from the helicopter to the site of the ceremony and introduced him.

Baker did not attend. Casey, asked by reporters about the briefing papers, promised a statement later in the day, but none came.

The president said in his 10-1 minute speech that "an intelligence agency cannot operate effectively unless its necessary secrets are maintained" He cautioned against endangering the "life and work" of intelligence agents and sources because of "carelessness, sensationalism or unnecessary exposure to risk."

Reagan also identified as "one of the greater dangers facing you" the "loss of necessary secrets through unauthorized and illegal disclosures of classified information." He said it was "improper, unethical and plain wrong."

The president, who has sought budget increases and more personnel for the CIA, called the agency "the eyes and ears of the free world" and declared, "You are the tripwire over which totalitarian rule must stumble in their quest for global domination."

Reagan claimed that U.S. support "for people whose countries are the victims of totalitarian aggression has blunted the communist drive for power in the Third World." This appeared to be an indirect reference to the CIA's covert operations in Central America.

The president yesterday described a "period of readjustment" during which "some of our adversaries who had grown used to disunity or weakness from the democracies are not enthusiastic about the success of our policies or the brightening trend in the fortunes of freedom."

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